Amendments to the Claims:

This listing of claims replaces all prior versions, and listings, of claims in the application:

Listing of Claims:

1-18. (Cancelled)

19. (Currently Amended) A method for bandwidth conservation and bit rate reduction between two nodes in a serial bitstream network comprising TDM bonding multiplexers at a transmitting and a receiving end, said method comprising the steps of:

measuring differential delay between a number of transmission lines at the receiving end using FAS multiframe as reference for the measurement; and.

using a time compensation bit in every basic frame constituting a Multiframe for adjustment of said differential delay between a plurality of transmission lines at the receiving end; and,

using spare bits (Sa) as link identification bits to compensate for pair crossing, thereby securing correct transmitter and receiver timeslot sequence by said link identification.

- 20. (Currently Amended)

 The method according to claim 19, further comprising the step of monitoring channel availability using bits selected from the group consisting of:[], || such as CRC-4, E-bit and A-bit.
 - 21. (Cancelled).
- 22. (Currently Amended) The method according to claim [[21]] 19, further comprising the step of calculating capacity of link identifications between transmitter and receiver identified by the spare bits using the expression 2^{Sa}.
- 23. (Previously Presented) The method according to claim 19, further comprising the step of compensating for $n \times 125\mu$ s, where n is a number of

basic frames using said means for measurement of differential delay between a number of transmission lines at the receiving end.

- 24. (Previously Presented)

 The method according to claim 19, wherein said method complies with ITU recommendation G.704.
- 25. (Previously Presented) The method according to claim 19, wherein said TDM bonding multiplexers perform inverse multiplexing.
- 26. (Currently Amended) A system for bandwidth conservation and bit rate reduction in a serial bitstream network, comprising:

TDM bonding multiplexers at transmitting and receiving ends of said network;

means for measuring differential delay between a number of transmission lines at the receiving end using FAS multiframe as reference for the measurement; and,

means for using a time compensation bit in every basic frame constituting a multiframe for adjustment of said differential delay between a plurality of transmission lines at the receiving end; and,

means for using spare bits (Sa) as link identification bits to compensate for pair crossing, thereby securing correct transmitter and receiver timeslot sequence by said link identification.

- 27. (Currently Amended)

 The system according to claim 26, further comprising means for monitoring channel availability using bits selected from the group consisting of:[[,]] such as CRC-4, E-bit and A-bit.
 - 28. (Cancelled).
- 29. (Currently Amended)

 The system according to claim [[28]] 26, further comprising means for calculating capacity of link identifications between transmitter and receiver identified by the spare bits using the expression 2^{Sa}.

- 30. (Previously Presented) The system according to claim 26, further comprising means for compensating for $n \times 125\mu$ s, where n is a number of basic frames using said means for measurement of differential delay between a number of transmission lines at the receiving end.
- 31. (Previously Presented) The system according to claim 26, wherein said system complies with ITU recommendation G.704.
- 32. (Previously Presented) The system according to claim 26, wherein said TDM bonding multiplexers perform inverse multiplexing.

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